



# NOTICE OF CONVERSION PRIVILEGE

Federal Employees' Group Life Insurance Program

## PART A - Instructions to Employing Agency

Complete Part A of this form whenever an employee's life insurance coverage terminates due to separation, resignation, retirement, death or end of 12 months in non-pay status. On the date insurance terminates (except by waiver), give this notice to every employee and to the family of each deceased

employees who had the Option C--Family coverage. Also, upon request, give this notice to the family of an eligible employee who does not convert his or her Option C--Family insurance. Place a copy of this notice in the employee's Official Personnel Folder.

### Employee Identification

1. Name of Employee	2. Date of Birth (mo., day, yr.)	3. Date of Death or Separation
4. Was employee insured for Option C--Family insurance on date in item 3? <input type="checkbox"/> Yes <input type="checkbox"/> No		

**Agency Certification** I certify that the above information has been obtained from, and correctly reflects, official personnel records.

5. Signature of Authorized Agency Official	6. Name and Mailing Address of Agency	
7. Typed Name of Authorized Agency Official		
8. Title	9. Telephone Number	10. Date of This Notice (mo., day., yr.)

## PART B - Conversion Information for Employees and Family Members Who Are Losing FEGLI Coverage

If you are eligible and you wish to carry Federal Employees' Group Life Insurance (FEGLI) coverage into retirement, do not apply for conversion. Employees and their family members who are losing FEGLI coverage may be eligible to convert their coverage to an individual direct-pay policy.

**EMPLOYEES--**You are entitled to convert to an individual direct-pay policy unless, within 3 calendar days after the date your insurance terminates, you return to Government service in a position in which you are eligible to reacquire Federal Employees' Group Life Insurance. You may purchase an individual policy in an amount equal to or less than your Basic life insurance plus any optional coverage you may have.

**FAMILY MEMBERS--** Option C--Family insurance in the amount of \$5,000 for a spouse and \$2,500 for each eligible child may be converted by the covered family member(s) to an individual direct-pay policy upon death of the covered employee or upon separation of a covered employee who does not convert the Option C--Family insurance. Eligible family members are the employee's spouse and unmarried dependent children under age 22 (including adopted children, stepchildren who lived with the employee in a regular parent-child relationship, and recognized natural children) and unmarried dependent children over age 22 who are incapable of self-support because of mental or physical disability which existed before they reached age 22.

**THE TIME IN WHICH YOU MAY CONVERT IS LIMITED--**You must mail your request for information regarding conversion within 31 days of the date in item 3 above, or within 31 days of the date you receive this notice, whichever gives you more time. If you fail to request conversion information within the 31-day time limit due to cause beyond your control, you may be allowed to convert your life insurance within six months after the date in item 3, provided you attach a full explanation of the cause beyond your control that prevented you from making a timely request.

**NOTE:** Under certain circumstances, life insurance is payable if death occurs within 31 days after the group life insurance terminates, regardless of whether conversion has been requested. However, extension of the conversion privilege beyond 31 days does not extend coverage under any circumstances. If death occurs within the 31-day period, further information concerning possible benefits may be obtained from the agency named in item 6 above.

### GENERAL INFORMATION ABOUT CONVERSION

- No medical examination is required.
- You must pay the premium applicable to the type of policy you select and your age and class of risk.
- The government will not pay any part of the premium cost of your individual policy.
- Your individual policy may be issued by an insurance company you select from the list of eligible companies which you will receive if you apply for conversion.
- Your individual policy may be in any form customarily issued by the insurance company, except term insurance, universal life insurance or any other form of life insurance with an indeterminate premium, and without disability or accidental death and dismemberment benefits

### HOW TO CONVERT

1. Complete the appropriate eligibility statement on the reverse.
2. Obtain a completed SF 2821, *Agency Certification of Insurance Status* (original and duplicate) from your employing agency.
3. Attach the original (Part 1) *Agency Certification of Insurance Status* to this form and mail them to the Office of Federal Employees Group Life Insurance (OFEGLI), 4 East 24th Street, New York, NY 10010. (Note: Retiring employees who are continuing Basic life insurance but wish to convert one or more of the options should submit their duplicate [Part 2] of the SF 2821 with this form to OFEGLI and their original [Part 1] with their retirement application.) OFEGLI will mail you detailed information on how to apply for conversion, together with a list of insurance companies eligible to convert your insurance.
4. If you are using this form to convert some of your life insurance coverage, but not Option C, have your employing office prepare another SF 2819 for your family members.
5. Family members (of a deceased employees who had Option C coverage or of an employee who did not convert Option C) may apply for conversion of their Option C--Family insurance to an individual direct-pay policy by sending a completed SF 2819 (this form) to OFEGLI. (Note: Family members do not need to obtain an SF 2821.)

PART C - Eligibility Statement

1. Please check the correct box(es).

☐ I have read all the above information and am interested in converting my insurance to an individual policy. Please send additional information.

☐ I have read all the above information. The following family members are eligible for conversion of Option C--Family insurance to a direct-pay policy. Please send me additional information.

2. Signature

3. Date (mo., day., yr.)

4. Address (Number, street)

5. City, State, ZIP Code

6. Eligible Family Members	Birth date	Relationship		Birth date	Relationship
a.			d.		
b.			e.		
c.			f.		

PART D - Information About Individual Policies

TYPES OF POLICIES

The type of individual policy you select should be determined by the purpose which the policy is to serve, taking into account your other financial plans and resources. There are three basic forms of permanent policies, however, and other life insurance policies are primarily combinations or modifications of these three. The three basic policies are:

- An **Ordinary Life** policy, also known as a Whole Life policy or a Straight Life policy, provides lifetime protection in return for premium payments throughout your entire life. The policy builds a CASH VALUE after one, two, or three years. You may withdraw this cash if you decide to stop paying the premiums. Also, you may borrow upon it at any time for any purpose.
- A **Limited Payment Life** policy differs from Ordinary Life in three ways. First, while it also provides lifetime protection, premiums are paid over a specific number of years--usually 10, 20, or 30, or until a certain age, such as 65. Secondly, the company must charge a higher annual premium during these years. Finally, because premiums are higher, the policy's CASH VALUE increases faster.
- **Endowment** policies emphasize savings. They pay you a sum of money at a future date named in the policy--such as the end of 20 years or at age 65. If you do not live until that date, this sum of money is paid upon your death to a beneficiary named by you. Both premiums and CASH VALUE are higher than for the other types of policies.

COST OF INDIVIDUAL POLICY

Life insurance policies are issued on a participating or non-participating basis.

Premium for participating policies are higher than those charged for non-participating policies. The part of a participating policy's premium which is found not to be needed to furnish protection is refunded in the form of an annual dividend to the policyholder. The first dividend is usually available after premiums have been paid for one, two, or three years. To obtain the net cost of a participating policy, you should deduct these yearly dividends from the premiums.

For non-participating policies, premiums are set as close as possible to the actual cost of insurance protection. The premium is the guaranteed cost to the policyholder. No dividends are paid under these policies.

The following are approximate premium rates on the participating basis for Ordinary Life, the Twenty-payment Life and Twenty-year Endowment policies. The rates are shown for ages 20 to 65 at five-year age intervals. Premium rates for non-participating policies are somewhat lower and no dividend will be paid under these policies. **The rates shown below are examples only and are not rates for any one company.**

SAMPLE ANNUAL PREMIUM RATES PER \$1,000 OF INSURANCE

AGE OF INSURED AT ISSUANCE OF POLICY	ORDINARY LIFE	20-PAYMENT LIFE	20-YEAR ENDOWMENT	AGE OF INSURED AT ISSUANCE OF POLICY	ORDINARY LIFE	20-PAYMENT LIFE	20-YEAR ENDOWMENT
PARTICIPATING INSURANCE (ANY DIVIDENDS PAID WILL REDUCE THESE COSTS)							
20	\$18.00	\$30.00	\$49.00	45	\$39.00	\$50.00	\$57.00
25	\$21.00	\$33.00	\$50.00	50	\$47.00	\$56.00	\$62.00
30	\$24.00	\$36.00	\$51.00	55	\$58.00	\$65.00	\$69.00
35	\$28.00	\$40.00	\$52.00	60	\$73.00	\$78.00	\$79.00
40	\$33.00	\$44.00	\$54.00	65	\$94.00	\$95.00	\$96.00

**Privacy Act Statement**--Title 5, United States Code, Chapter 87, Life insurance, authorizes solicitation of this information. The data you furnish will be used by the Office of Federal Employees' Group Life Insurance to determine eligibility for conversion of Option C--Family life insurance coverage. This information may be

shared with national, state, local, or other charitable or social security administrative agencies to determine and issue benefits under their programs, or law enforcement agencies, when they are investigating a violation or potential violation of the civil or criminal law.